

FISCAL NOTE

HB 481 - SB 853

March 11, 2007

SUMMARY OF BILL: Increases motor vehicle registration fees by \$16.00 and allocates the revenues to the Highway Fund, local governments, and to the Tennessee Department of Transportation (TDOT) to provide assistance to local governments for mass transit.

ESTIMATED FISCAL IMPACT:

Increase State Revenues -

\$19,600,000 Highway Fund/FY 07-08

\$7,350,000 Dedicated to Mass Transit/FY 07-08

\$39,200,000 Highway Fund/FY 08-09 & Thereafter

\$14,700,000 Dedicated to Mass Transit/FY 08-09 & Thereafter

Increase Local Govt. Revenues - \$12,250,000/FY 07-08


\$24,500,000/FY 08-09 & Thereafter

Assumptions:

- The provisions of this bill take effect January 1, 2008. Therefore, the full impact on revenues will not be realized until FY08-09.
- Approximately 4.9 million vehicle registrations per year @ an increase of \$16.00 each = an increase in revenues of \$78.4 million.
- Fifty percent of revenues will be allocated to the Highway Fund. (\$78.4 million x 50% = \$39,200,000)
- Thirty-one and one-fourth percent will be allocated to local governments. (\$78.4 million x 31.25% = \$24,500,000)
- Eighteen and three-fourths percent will be allocated to TDOT to provide assistance to local governments for mass transit. (\$78.4 million x 18.75% = \$14,700,000)

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director